

COMMERCE ROLE IN DEFENSE TRADE



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Long Beach, CA

March 28, 2001

DEFENSE TRADE CONCERNS

- **U.S. Industrial Competitiveness**
- **Health of the Traditional Defense Industrial Base**
- **Flow of Critical Goods and Technologies**

U.S. Government Support for Industry

- **The Advocacy Center within the Commerce Department coordinates Federal advocacy efforts**
- **BXA was designated as lead agency for defense trade advocacy within Commerce**

Defense Trade Advocacy

- *Work closely with U.S. Embassy Team*
 - Commercial Officers
 - Security Assistance Officers
 - Economic Officer
- *Defense Trade Policy*
 - Conventional Arms Transfer Policy Reviews

U.S. Government Support for Industry

- **Advocacy efforts contributed to \$110 billion in commercial export sales from FY94-FY99**
- **Advocacy for defense firms contributed to approximately \$21 billion in export sales from FY94-FY99**

Defense Advocacy Successes

- *Europe*
 - U.K. & Dutch Attack Helicopters - \$3B
 - Greece - Patriot System - \$1B
 - Norway - AEGIS System - \$800M
- *Pacific Rim*
 - Aus/N.Z. - SH-2G Helicopters - \$600M

Defense Advocacy Successes

- *Western Hemisphere*
 - Brazil - Sonar Equipment - \$40M
 - Brazil - SIVAM Project - \$2B
 - Chile – Fighter Aircraft - \$600M
- *Middle East*
 - U.A.E. - Fighter Aircraft - \$7B

International Defense Market Guides

Program Objective

- **Provide current diversification and defense trade information to small and medium size firms**
- **Facilitate entry into traditional and nontraditional markets within U.S. foreign policy and export control guidelines**

International Defense Market Guides

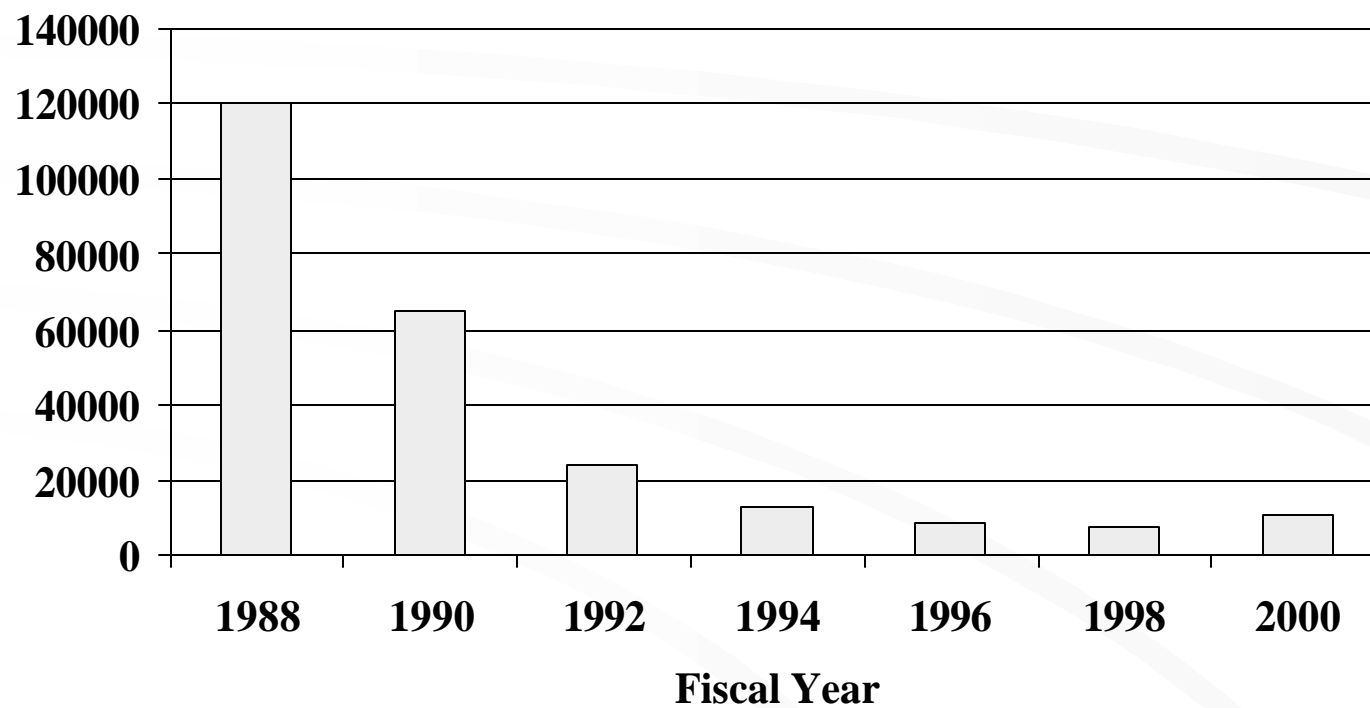
Regional Scope

- **Pacific Rim**
- **Europe**
- **Western Hemisphere**
- **Middle East**

“Dual Use” Export Controls

- **Advance U.S. national security, foreign policy, and economic interests**
- **Enforce compliance**
- **Cooperate with like-minded nations**

Dual Use Licensing Trends



Why the Change?

- **Lack of a single, defining threat**
- **Increased globalization of high technology and production capabilities**
- **Reversal of technology flow: from “commercialization” to COTS**

Internet Addresses

- **Bureau of Export Administration Web site:**

- <http://www.bxa.doc.gov>

- **Defense Trade Advocacy:**

- <http://www.doc-bxa.bmpcoe.org/dtap.html>

- **International Defense Market Guides:**

- <http://www.doc-bxa.bmpcoe.org/iddma.html>